to sanction new/additional capacity in computers only with export obligation; if so, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECH NOLOGY AND THE MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K. P. NARAYANAN): (a) Yes, Six. All units whose Proposal was considered by the Government after 25th July, 1986 have been asked to export part of their production in respect of computers and peripherals.

The details, of export of computers during past three years are given in the enclosed statement *(See* below).

(b) Projections for exports (Rupees in crores):

1987-88	1988-89	1989-90	
10.00	16 00	25.00	(hardware an allied item
80.00	144 00	300 00	Software)

(c) The Government has announced a software development and export policy in December 1986 which will give a boost to the software export. An Electronics & Computer Software Export Promotion Council has alao been set up by the Ministry of Commerce to provide assistance to th« exporters.

(d) Government are considering the general question of export obligation on computer manufacturers but no decision has been taken so far.

Statement

Export of Computers & Allied Products

(Value : Rs. in lakhs)

	1984		1985		1986	
	Qty.	Value	Qty.	Value	Qty.	Value
Computers . . .	2	3.10	15	38.70	47	197.47
Allied products . .	—	85.00	—	31.00	—	202.00
Software	—	2041.90	—	2799.30	—	4200 00

Computer export obligations of Modis and Hinditron

2240. SHRI BHAGATRAM MAN-HAR;

SHRI BIR BHADRA PRATAP SINGH:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Modis_ who have been allowed computer collaboration with Olivetti of Italy, have been given an export obligation of only 10 per cent whereas M/s. Hinditron Computers Private Limited, Bombay, who has been allowed collaboration with DEC of USA, has been given an export obligation of 30 per cent, if so, the reasons therefor; and

(b) what is the percentage of export obligation imposed on each of the indigenous computer manufacturers, including those belonging to the small sector, who have been sanctioned new/additional capacity during the last two years?

THE MINISTER OF STATE IN THE ! MINISTRY OF SCIENCE AND TECH NOLOGY AND THE MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVEL 3PMENT, ATOMIC ENERGY, ELEC TRONICS AND SPACE (SHRI K P. NARAYANAN); (a) M/s. Modi have been allowed collaboration wit i Olivetti of Italy with an export c bligation of 10 per cent of their ex-factory value of 50 per cent of (i nported) raw materials and components whichever is higher, whereas M/s. Hinditron Computers Private L mited, Bombay have been issued a Letter of Intent (LOT) for the m nufacture of computers with an e :port obligation of 30 per cent. Le' ter of Intent (LOI) was given to M/ . Modi in November 1985, when no e :port obligation was prevalent. Subsc quently at the time of approval of I oreign Collaboration, the above said « xport obligation was imposed on Modi; by Foreign Investment Board (F B). However, Ms. riinaitron with D 5C collaboration was given LOI, after the 30 per Cent export obligation m mis came into effect from July, 1986.

(b) From July, 1086 a uniform rate of export obligat m i.e. 30 per cent f ex-factory vali e in respect of computer and 15 pe- cent of ex-factory ralue in respect if peripherals manufacture has been imposed on all units including small '.cale sector. However, prior to J ily 1986 there was Bo such compulse ry export obligation. Those cases whei e LOI was *liven* prior to July 19i 6 but Foreign Collaboration (FC) vas considered after Ju'y 1986 the exxnt obligation was 10 per cent ex-fae tory value of 50 per vent of (importec) raw materials and components whlcl ever is higher.

Collaboration venture of US and Italian firms to manufacture computers

2241. SHRI BHAGATRAM M ANSAE: Will the PftlME MINISTER be pleased to state:

fa) whether it is a fact that the !,wo computer Multinationals, M/s. DEC of USA and M/s. Olivetti oi Italy, are being allowed to set up plants in collaboration for manufacture of computers in India with equity participation; if so_i what are the broad terms and conditions imposed on them;

(b) what is the precise nature of the range of products they would make in India;

(c) whether it is a fact that the above two multinationals have been allowed to manufacture micro/ mini computers in India which, more or /ess, are already being manufactured m the country by quite a few units including those in the small sector; if *So,* what is th_e justification for allowing multinationals in this field;

(d) whether certain export obligations have been imposed on these multinationals; if so, what are the reasons therefor; and

(e) whether Government ere considering a proposal to waive their export obligation; if so, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECH NOLOGY AND THE MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K. P. NARAi'ANAN): (a) Multinational companies for thfe manufacture of computers, have not been allowed to set up units in India. But two Indian companies have been allowed, namely: M/s. Hinditron Computers Pvt. Ltd. Bombay with only 40 per cent foreign equity participation from M/S. DEC of USA and M/s. Modi Xerox, New Delhi with 40 per cent foreign equity from M/s lag. C. Olivetti & • Co. SPA of Italy. As per the norms both these units are treated as Indian companies and not as Multinational companies.

(b) M/s Hinditron Computers Pvt. Ltd. will be manufacturing Micro